|  |  |  |  |
| --- | --- | --- | --- |
| NPRR Number | [975](http://www.ercot.com/mktrules/issues/NPRR975) | NPRR Title | Load Forecast Model Transparency |
| Date Posted | | September 30, 2019 | |
|  | |  | |
| Requested Resolution | | Normal | |
| Nodal Protocol Sections Requiring Revision | | 3.12.1, Seven-Day Load Forecast | |
| Related Documents Requiring Revision/Related Revision Requests | | None | |
| Revision Description | | This Nodal Protocol Revision Request (NPRR):  1) Clarifies that Load forecast models will be used to select the Seven-Day Load Forecast based on expected weather;  2) Requires ERCOT Operations to explain why they selected a certain model to improve transparency for Market Participants; and  3) Eliminates the use of A3 and A6 in the Seven-Day Load Forecast and in operations. | |
| Reason for Revision | | Addresses current operational issues.  Meets Strategic goals (tied to the [ERCOT Strategic Plan](http://www.ercot.com/content/news/presentations/2013/ERCOT%20Strat%20Plan%20FINAL%20112213.pdf) or directed by the ERCOT Board).  Market efficiencies or enhancements  Administrative  Regulatory requirements  Other: (explain)  *(please select all that apply)* | |
| Business Case | | The Seven-Day Load Forecast is used extensively by Market Participants to evaluate the fundamentals of the ERCOT market and make hedging decisions. It is important for Market Participants to understand the decisions for selecting Load forecast models to better inform commercial activity. The A3 and A6 Load forecast models are legacy, obsolete models that chronically overstate actual ERCOT Loads and should be eliminated from use as the Seven-Day Load Forecast and in operations. | |

|  |  |
| --- | --- |
| Sponsor | |
| Name | Michele Gregg |
| E-mail Address | [michele@competitivepower.org](mailto:michele@competitivepower.org) |
| Company | Texas Competitive Power Advocates (TCPA) |
| Phone Number |  |
| Cell Number | 512-653-7447 |
| Market Segment | Independent Generator |

|  |  |
| --- | --- |
| **Market Rules Staff Contact** | |
| **Name** | Jordan Troublefield |
| **E-Mail Address** | [jordan.troublefield@ercot.com](mailto:jordan.troublefield@ercot.com) |
| **Phone Number** | 512-248-6521 |

|  |
| --- |
| Proposed Protocol Language Revision |

3.12.1 Seven-Day Load Forecast

(1) ERCOT shall use the Seven-Day Load Forecast to predict hourly Loads for the next 168 hours based on current weather forecast parameters within each Weather Zone. Preparation for Day-Ahead Operations requires an accurate forecast of the Loads for which generation capacity must be secured. The Seven-Day Load Forecast must have a “self-training” mode that allows ERCOT to review historic Load data and provide the ability to retrain the Seven-Day Load Forecast algorithm. ERCOT will use a variety of Load forecast models and will select a Load forecast model that best fits the expected weather conditions for each hour of the day as the Seven-Day Load Forecast. ERCOT shall produce and post to the MIS Public Area on a daily basis an explanation of why each Load forecast model was selected. The A3 and A6 Load forecast models are informational only and will not be selected as part of the Seven-Day Load Forecast or for any purpose in Day-Ahead or Real-Time operations.

(2) The inputs for the Seven-Day Load Forecast are as follows:

(a) Hourly forecasted weather parameters for the weather stations within the Weather Zones, which are updated at least once per hour; and

(b) Training information based on historic hourly integrated Weather Zone Loads.

(3) ERCOT shall review the forecast suggested by Seven-Day Load Forecast and shall use its judgment, if necessary, to modify the result prior to implementation in the Ancillary Service capacity Monitor, Day-Ahead Reliability Unit Commitment (DRUC), Hour-Ahead Reliability Unit Commitment (HRUC), and Resource adequacy reporting.